

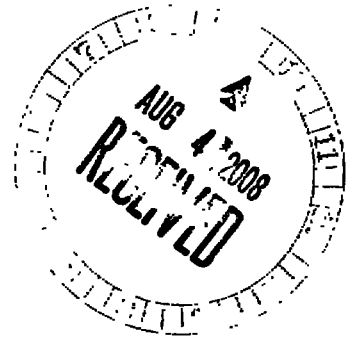


RECORDATION NO. 27587 FILED

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SURFACE TRANSPORTATION BOARD



August 1, 2008

Surface Transportation Board  
Attn: Secretary  
395 E. Street S.W.  
Washington, D.C. 20024

Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is two (2) copies of a Master Lease Schedule No.01 pertaining to Master Lease Agreement No.PA-0806, dated as of September 5, 2006. Please record as a primary recordation.

The names and addresses of the parties to the enclosed document are:

Lessor: Everest Railcar Services, Inc  
1391 Plaza Place, Suite C  
Springdale, AR 72764

Lessee: Pioneer Americas, LLC  
Suite 4300  
700 Louisiana Street  
Houston, TX 77002  
Attention: Law Department

A description of the railroad equipment covered by the enclosed document is:  
(16) 3400 Cubic Foot 100-Ton Open Top Hoppers identified in Exhibit A attached hereto.

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document.

Very truly yours,

A handwritten signature in black ink, appearing to read "Tony Daniels".

Tony Daniels  
Director of Business Development

## **Exhibit A**

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**MASTER LEASE NO. PA-0806  
SCHEDULE NO. 01**

SURFACE TRANSPORTATION BOARD

This Schedule No. 01 is made this 3 day of August, 2006 and is hereby made a part of and hereby expressly incorporates herein by reference the Master Lease Agreement dated as of August \_\_, 2006 ("Master Lease") between Everest Railcar Services, Inc., as Lessor, and Pioneer Americas, LLC, as Lessee. This Schedule is intended to and shall stand alone as a separate instrument of Lease.

**Lessor:** Everest Railcar Services, Inc. (hereinafter called "Lessor").

**Lessee:** Pioneer Americas, LLC (hereinafter called "Lessee").

**Equipment:** 100 Ton 3400 Cubic Foot Open Top Hoppers ("Cars"), which are described in more detail in the attached Exhibit A.

**Type of Lease:** Full Service where Lessee bears some responsibility for repairs and maintenance, or taxes, or insurance as further defined below.

**Delivery of Cars:** Delivery will be at Henderson, Nevada. Lessee will bear all transportation costs to the Designated Lessee location. Lessor will not be liable nor suffer any bias if all of the Cars are not delivered under this Lease. This Lease will be effective with respect to the number of Cars actually delivered.

**Acceptance:** Lessee will, no later than one week after notification by Lessor that the Cars are ready for acceptance at the designated Lessee location, (in compliance with the Specifications as listed in the attached Exhibit), have its authorized representative inspect the Cars and accept or reject them. Lessee shall have its authorized representative inspect the Cars, and accept or reject the Cars. Lessee shall only reject Cars for valid mechanical reasons which shall be discussed with Lessor at the time of inspection. Cars that are available for inspection but are not inspected within the above timeframe will be deemed accepted.

**Use:** Lessee shall place and retain the Cars in service in Lessee's general fleet of railcars. The Cars will not be used to transport any contaminating commodity as defined in the AAR Car Service Rules. The primary use of the Cars will be for transport of Salt from shippers on Lessee's Trackage to destinations in Canada and the United States.

**Term:** The initial term will be for 60 Months from the Commencement Date. The Commencement Date will be the first day of the month following the month in which the last Car is accepted.

**Renewal Options:** Unless a party receives a 30 day prior written notice of non-renewal from the other, this Lease will automatically renew under the same terms and conditions on a month to month basis.

**Payment Terms:** Lessee will pay the following amounts to Lessor:

(i) An interim rent of \$19.23 per day per Car during the period from the date of delivery of such Car until the Commencement Date. An interim rent will also be paid by Lessee for the period after termination until the Cars are returned in satisfactory condition to the return point noted below; and

(ii) A fixed rental payment of \$577.00 per month per Car starting on the Commencement Date and terminating at the end of this Lease. Fixed rent will be payable in advance on the Commencement Date and thereafter on the first day of each succeeding month; and

(iii) Lessee will be entitled to all car hire generated by the Cars; and

(iv) An excess mileage charge of \$.04 per mile for any Car that travels more than 30,000 miles over a 12 month period.

**Repairs and Maintenance:** Excluding the Excepted Matters set forth below, Lessor will be responsible for the required maintenance and necessary repairs of the Cars to keep them in satisfactory condition for the movement in the normal interchange of rail traffic in compliance with all laws, regulations and interchange rules. However Lessee will be responsible for repairs and maintenance costs related to or resulting from: (i) damage caused by the loading or unloading of Cars, (ii) damage caused by the improper or unauthorized use of the Cars, (iii) damage or other condition caused by the negligence, willful misconduct or other improper handling or overloading on the part of Lessee, its shipper, and (iv) damage as defined by the current Field Manual of the AAR interchange Rules 95 A and B. Lessee will preserve the Cars in good order, condition and repair at all times and will not in any way alter the physical structure of the Cars.

**Repairs – Excepted Matters:** Lessee will be fully responsible for the any and all maintenance concerning the outlet gates.

**Substitution:** Lessor will have the right to substitute any Car under this Lease with a comparable railroad car.

**Casualty:** In the event that a Car is lost, stolen, destroyed, and/or damaged beyond economical repair, Lessee will pay Lessor the difference between the casualty value as set forth in Exhibit B and the AAR Depreciated Value Statement if the event of loss occurs on a railroad other than a carrier or switching facility not operated by the Lessee or its agents. The lessee will only pay the difference if Lessor recovers in full the AAR Depreciated Value amount. If negligence is a direct result of the Lessee or its agents then Lessee is required to pay the Lessor the full amount listed in the casualty value exhibit.

**Abatement of Rent:** Any rental and/or other payments due under this Lease will not be subject to any set-off, deduction, recoupment or abatement unless the cars are bad ordered for

maintenance which is in the account of Lessor. Abatement shall occur five days after notification by Lessee or its agent on a pro rata basis.

**Insurance:** Lessee will name Lessor as an additional insured and maintain public liability and property damage insurance in sufficient amounts to cover the casualty value of all Cars.

**Taxes:** Lessor will be responsible for the filing and payment of all taxes including but not limited to the mileage taxes known specifically as ad valorem taxes. Lessee will reimburse Lessor for only ad valorem taxes within 30 days of receiving invoice and detailed information supporting such tax.

**Stenciling/Marking:** Lessor at its expense will cause each Car to be stenciled with the running marks of Lessor and will reprogram the AEI Tags to conform to those markings.

**Return Point:** Lessee will return, at its expense all Cars to a point or points mutually accepted by Lessee and Lessor.

**Return Condition:** Lessee agrees immediately upon expiration, termination or cancellation of the term of this agreement, to return the Cars to the Return Point, suitable for unrestricted Interchange service with no handling line and/or unfair usage damage including any damages as defined in Rule 95 A and B of the current Field Manual of the AAR Interchange Rules, empty and free from any residue or prior lading and in the same good condition as when each Car was delivered to Lessee by Lessor. Lessee shall, on demand, reimburse Lessor for the cost of repairing damage to any of the Cars or to the fittings or appurtenances thereto, caused by Lessee's use of the Cars and/or commodities transported therein or thereon to the extent such cost is expressly an obligation of Lessee hereunder. If any Car is returned to Lessor (i) requiring repair or replacement of fittings or appurtenances thereto, (ii) not free from accumulations or deposits of residue or prior lading, or (ii) unsuitable for interchange service, to the extent Lessee is expressly responsible therefore hereunder, Lessee shall promptly correct any such deficiency, at Lessee's sole cost and expense, and the Car shall remain on rental until the condition is satisfied in accordance with the terms thereof.

In the event that any Car is not delivered to Lessor as provided in this Section on or before the end of the Term specified for such Car, all obligations of Lessee under this Lease with respect to such Car shall remain in full force and effect until such Car is so delivered to Lessor.

**Addresses for Notices:**


If to Lessor, to:	Everest Railcar Services, Inc 1533 Enterprise Dr. Fayetteville, AR 72704 Attn: Contract Administrator Telecopier: 479-521-7711
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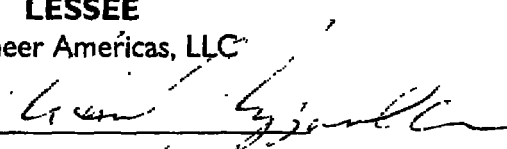
If to Lessee, to: Pioneer Americas, LLC  
Suite 4300  
700 Louisiana Street  
Houston, TX 77002  
Attn: Law Dept

**Assignment and Sublease:** Lessee shall not assign or otherwise sublease this Lease or the Cars without Lessor's prior written consent. Lessor will have and retain the right to assign, sell, pledge, mortgage or otherwise transfer or dispose of this Lease or any right under this Lease without notice to Lessee.

**Miscellaneous:** All capitalized terms used in this Schedule shall, unless otherwise indicated, have the definitions set forth in the Master Lease. When ever there are conflicts or inconsistencies between the terms and conditions of this Schedule and the terms and conditions of the Master Lease, the terms and conditions of this Schedule shall prevail. This Schedule shall be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

**Interior Lining:** Lessor will have all the cars lined internally with Bitumastic 300M per the specifications as prescribed by Carboline before lease commencement. Lessee will be responsible for the maintenance and upkeep of the lining throughout the term of the lease.

**LESSOR**  
Everest Railcar Services, Inc  
By:   
Name: STEVEN HENDRICKS  
Title: PRESIDENT

**LESSEE**  
Pioneer Americas, LLC  
By:   
Name: MICHAEL DIAZ  
Title: VP

**DESCRIPTION OF RAILCARS**  
**Exhibit A to Schedule No. 01**

This is Exhibit A to Schedule No. 01 to the Master Lease Agreement dated as of <sup>For 2006</sup> August   , 2006 between Pioneer Americas, LLC as Lessee, and Everest Railcar Services, Inc, as Lessor.

Railcar Type:	Open Top Hoppers
AAR Car Type Code:	H350
Outlet Gates:	Two Per Pocket
Number of Cars:	16
Cubic Capacity:	3422
Car Numbers:	EAMX 330-345